



Santa Cruz County Mobile and Manufactured Home Commission

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MOBILE AND MANUFACTURED HOME COMMISSION MEETING MINUTES

DATE: July 16, 2020
LOCATION: Meeting held remotely
PRESENT: Jean Brocklebank (*Vice Chair - 1st District*), Henry Cleveland (*Chair - 2nd District*), David Allenbaugh (*3rd District*), Rick Halterman (*5th District*), Carol Lerno (*GSMOL*), Charlene Garza (*WMA*)
EXCUSED: None
STAFF: Justin Graham (*Assistant County Counsel*), Angela Chesnut (*1st District Analyst*), Kaite McGrew (*Commissions Coordinator*),
GUESTS: 3 Community Members

1. Call to Order/Roll Call/Agenda Review
Meeting was convened at 9:30 AM.

2. **Approve May 21, 2020 Meeting Minutes**
Motion/Second: Lerno/Brocklebank
Motion passed unanimously.

3. Public Comment

4. New Business/Action Items

4.1. Reasonable Rate of Return on Capital Improvements

Commission discussed the reasonable rate of return on capital improvements and heard comment from the public. Brocklebank expressed concern that some park owners are charging 12% per year over ten years, instead of 12% total over ten years. Halterman expressed concern that changes could leave the ordinance susceptible to challenges. Garza read a written statement in support of the existing language.

Motion to retain 12% rate of return with a stipulation that it be no more than 12% total regardless of amortization period

Motion/Second: Brocklebank/Allenbaugh

Ayes: Brocklebank, Allenbaugh

Nays: Cleveland, Halterman, Lerno, Garza

Motion did not carry.

Motion to retain the 12% rate of return

Motion/Second: Garza/Halterman

Ayes: Cleveland, Allenbaugh, Halterman, Lerno, Garza

Nays: Brocklebank,

Motion passed.

4.2. CPI Adjustment Letters

Commission reviewed 2021 CPI Adjustment Letters for RVs and Mobile/Manufactured homes.

- 4.3. Space Fee Recommendation
Commission discussed the 2021 Space Fee.

Motion to retain a \$38 Space Fee for 2021

Motion/Second: Brocklebank/Halterman

Motion passed unanimously.

- 4.4. HCD Mobilehome Residency Law Protection Program Implementation
Allenbaugh expressed concern that residents in parks with arbitration clauses included in leases may not be able to access the program. Halterman recommended that Allenbaugh consult with retired law professor Herb Rossman who may have had additional detail.

5. County Supervisor Report

Chesnut confirmed that the Board of Supervisors sent letters in support of Senate Bill 999 (removing long-term lease exemption from rent control) and Senate Bill 915 (emergency relief for mobilehome owners during COVID-19 pandemic).

6. Commissioner Reports

6.1. 1st District Report

Brocklebank reported that communications are quiet and requested clarification from County Counsel at the September meeting on whether limitations are placed on sublet rental rates as described in MRLA.

6.2. 2nd District Report

Cleveland reported that a recent HCD Mobilehome Inspection Program audit revealed some shortcomings. He will report on HCD's response to the audit at an upcoming meeting. Cleveland requested that Commissioners consider nominees for the 2020 Jan Beutz Award to be discussed during the September meeting.

6.3. 5th District Report

Halterman requested that Commissioners who utilize the HCD Mobilehome Residency Law Protection Program update him on their experiences with the program.

6.4. 3rd District Report

Allenbaugh reported that residents requested a rent reduction because park amenities are not available during shelter-in-place restrictions. Park owners made a one-time \$3000 donation to the homeowners association instead.

6.5. Golden State Manufactured Homeowner's League (GSMOL) Report

Lerno reported that concerns regarding health and safety guidelines in mobilehome parks are ongoing.

6.6. Western Manufactured Housing Communities Association (WMA) Report

Garza reported on safety precautions and potential County rent payback assistance. Chesnut confirmed that this is being considered, as well as a potential extension on the eviction moratorium. Clubhouses remain closed but laundry facilities are open. Brocklebank will share information about additional HCD funding that may become available.

7. Central Coast Resident-Owned Parks Report
Cleveland reported County has reopened playgrounds and many swimming pools depending upon their ability to meet guidelines. Clubhouses are anticipated to be the next amenities to reopen. Liability waivers are being considered for residents to use park amenities.
8. Legislative Report
Halterman reported that the California legislature is not in session subsequent to an increase of confirmed COVID-19 cases among legislators. Anticipated reopening is July 27, 2020 and postponed bills may extend the timelines for all bills. Halterman updated the Commission on the following bills of interest to the mobile home community:
 - **SB-1117: Master meter customer: electrical or gas services:** postponed indefinitely.
 - **AB-2782: Mobilehome parks: change of use:** postponed indefinitely.
 - **SB-915 (COVID-19 emergency relief):** Currently still scheduled for July 28th in the Assembly Housing Committee
 - **SB-999 (Long-term lease exemption removed):** Currently still scheduled for July 28, 2020 in the Assembly Housing Committee
 - **AB-2690 (removes new construction rent control exemption in areas that have rent control ordinances):** Currently scheduled for August 4, 2020.
 - **AB-2895 Rent Caps for Mobile Home Parks:** This bill has a problematic method of calculation and does not contain a provision for park owners to ask for a prorated return.
9. County Counsel Report:
The Commission welcomed Justin Graham, Assistant County Counsel.
10. Staff Report: No Report
11. Correspondence: None
12. Adjournment
Meeting was adjourned at 10:54 AM.

Submitted by: Kaite McGrew, *Commissions Coordinator*